

China Development Bank– Hong Kong Branch

2025 Interim Results Disclosure Statement

This is the Interim Results Disclosure Statement issued by the Bank for the period ended 30 June 2025. The information stated is not audited. It contains all the disclosures required by the Banking (Disclosure) Rules and the Supervisory Policy Manual:- Guideline on the Application of the Banking (Disclosure) Rules issued by the Hong Kong Monetary Authority. This statement is readily accessible at our office located at 32/F, One International Finance Centre, No. 1 Harbour View Street, Central, Hong Kong and our Head Office website (www.cdb.com.cn/xwzx/xxgg/qtgg/).

China Development Bank - Hong Kong Branch
Interim Report for the period ended 30 June 2025

Amount expressed in thousand HKD, unless otherwise stated

I. Income Statement

	For period 1 January 2025 - 30 June 2025	For period 1 January 2024 - 30 June 2024
Interest income	4,189,979	5,534,414
Interest expense	(3,244,996)	(4,648,415)
Other operating income		
- Gains less losses arising from trading in foreign currencies	57,128	(69,356)
- Gains less losses on financial instruments measured at fair value through profit or loss	85,801	149,530
- Net fees and commission income	54,832	20,766
- <i>Fees and commission income</i>	59,502	24,832
- <i>Fees and commission expenses</i>	(4,670)	(4,066)
- Others	(364,940)	56,647
Total operating income	777,804	1,043,586
Operating expenses		
- Rental expenses	(32,006)	(32,714)
- Staff expenses	(60,146)	(70,003)
- Other operating expenses	(19,183)	(17,068)
Net reversal /(charge) for impairment allowances	598,558	226,443
Total operating expenses	487,223	106,658
Profit before taxation	1,265,027	1,150,244
Tax expense	(120,817)	(125,075)
Profit after taxation	1,144,210	1,025,169
Other comprehensive income		
- Debt instruments at fair value through other comprehensive income reserve	137,920	12,194
Total comprehensive income for the period	1,282,130	1,037,363

China Development Bank - Hong Kong Branch

Amount expressed in thousand HKD, unless otherwise stated

II. Balance Sheet

	As at 30 June 2025	As at 31 December 2024
Assets		
Cash and balances with banks	36,589,643	30,460,022
Placements with banks which have a residual contractual maturity of more than one month but not more than 12 months	12,411,183	1,130,077
Due from Exchange Fund	3,219,182	971,553
Loans and receivables and other accounts	116,375,948	122,411,959
Derivative financial instruments	15,122	177,662
Certificates of deposit held	28,265,562	27,629,405
Investment securities	19,241,506	20,118,286
Property, plant and equipment and investment properties	90,996	119,573
Total assets	<u>216,209,142</u>	<u>203,018,537</u>
Equity and liabilities		
Deposits and balances from banks	9,352,531	10,892,766
Deposits from customers	38,126,985	39,651,368
- <i>Savings deposits</i>	<i>19,539,940</i>	<i>14,363,142</i>
- <i>Time, call and notice deposits</i>	<i>18,587,045</i>	<i>25,288,226</i>
Amount due to overseas offices	5,422,094	5,342,578
Certificates of deposit issued	133,700,220	119,256,328
Issued debt securities	26,684,137	25,503,493
Derivative financial instruments	410,470	549,966
Other liabilities	1,209,463	415,379
Total liabilities	<u>214,905,900</u>	<u>201,611,878</u>
Reserves	1,303,242	1,406,659
Total Equity and Liabilities	<u>216,209,142</u>	<u>203,018,537</u>

Amount expressed in thousand HKD, unless otherwise stated

III. Additional Balance Sheet Information

	As at 30 June 2025	As at 31 December 2024
(i) Loans and receivables and other accounts		
- loans and advances to customers	66,235,027	80,128,988
- loans and advances to banks	61,765,623	55,545,887
- accrued interest and other accounts	1,485,433	281,808
Less: Impairment allowances		
- stage 1	(604,176)	(958,348)
- stage 2	(294,312)	(545,278)
- stage 3	(12,211,647)	(12,041,098)
	<u>116,375,948</u>	<u>122,411,959</u>
(ii) Impaired loans and advances to customers:		
- Loans and advances	4,047,378	4,002,389
- Impairment allowances	(3,721,138)	(3,679,775)
- Collateral value	49,287	26,607
- Percentage to total loans and advances to customers	6.11%	4.99%
(iii) Impaired loans and advances to banks:		
- Loans and advances	11,707,817	11,529,679
- Impairment allowances	(8,490,509)	(8,361,323)
- Collateral value	-	-
- Percentage to total loans and advances to banks	18.96%	20.76%
(iv) Analysis of gross amount of loans and advances to customers:		

	As at 30 June 2025		As at 31 December 2024	
By industry categories:	Outstanding Balance	Covered by Collateral	Outstanding Balance	Covered by Collateral
<i>Loans and advances for use in Hong Kong</i>				
Industrial, commercial and financial sectors:				
- Property development	1,556,771	-	556,933	-
- Property investment	-	-	-	-
- Financial concerns	25,733,869	-	27,987,201	-
- Wholesale and retail trade	4,047,378	49,287	4,002,388	26,607
- Manufacturing	485,530	-	27,010	-
- Transport and transport equipment	1,521,439	-	8,297,089	-
- Stockbrokers	-	-	-	-
- Information technology	-	-	-	-
- Others	18,073,542	-	27,634,607	-
<i>Trade finance</i>	-	-	-	-
<i>Loans and advances for use outside Hong Kong</i>	14,816,498	-	11,623,760	-
Total	<u>66,235,027</u>	<u>49,287</u>	<u>80,128,988</u>	<u>26,607</u>

By geographical areas:

The gross amount of loans and advances to customers by countries or geographical segment is in accordance with the location of the counterparties after taking into account the transfer of risk. In general, a transfer of risk arises if the loans or advances of a customer are guaranteed by a party in a country which is different from that of the customer. A country or geographical segment, to which not less than 10% of the Branch's total amount of loans and advances to customers are attributable after taking into account any recognised risk transfer, is disclosed at below:

	As at 30 June 2025	As at 31 December 2024
China	20,681,411	29,060,701
Hong Kong	45,553,616	51,068,287
	<u>66,235,027</u>	<u>80,128,988</u>

Amount expressed in thousand HKD, unless otherwise stated

III. Additional Balance Sheet Information (cont'd)

(v) Impaired loans by geographical areas

	As at 30 June 2025		As at 31 December 2024	
	Gross amount	Impairment allowances	Gross amount	Impairment allowances
Loans and advances to customers:				
China	3,262,401	(2,936,161)	3,226,137	(2,903,523)
Hong Kong	784,977	(784,977)	776,252	(776,252)
	<u>4,047,378</u>	<u>(3,721,138)</u>	<u>4,002,389</u>	<u>(3,679,775)</u>
Loans and advances to banks:				
Venezuela	11,707,817	(8,490,509)	11,529,679	(8,361,323)

(vi) Overdue or rescheduled assets

	As at 30 June 2025		As at 31 December 2024	
	Gross amount	% to total loans and advances to customers	Gross amount	% to total loans and advances to customers
(a) Loans and advances to customers:				
Overdue more than 1 month but not more than 3 months	-	-	-	-
Overdue more than 3 months but not more than 6 months	-	-	-	-
Overdue more than 6 months but not more than 1 year	-	-	-	-
Overdue more than 1 year	4,047,378	6.11%	4,002,389	4.99%
Total	<u>4,047,378</u>	<u>6.11%</u>	<u>4,002,389</u>	<u>4.99%</u>

Collateral value:

Market value of collateral held against overdue loans and advances	49,287	26,607
Secured portion of overdue loans and advances	49,287	26,607
Unsecured portion of overdue loans and advances	3,998,091	3,975,782

By geographical areas:

China	3,262,401	3,226,137
Hong Kong	784,977	776,252
	<u>4,047,378</u>	<u>4,002,389</u>

Impairment allowances

	<u>(3,721,138)</u>	<u>(3,679,775)</u>
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	As at 30 June 2025		As at 31 December 2024	
	Gross amount	% to total loans and advances to banks	Gross amount	% to total loans and advances to banks
(b) Loans and advances to banks:				
Overdue more than 1 month but not more than 3 months	-	-	-	-
Overdue more than 3 months but not more than 6 months	-	-	-	-
Overdue more than 6 months but not more than 1 year	-	-	-	-
Overdue more than 1 year	11,707,817	18.96%	11,529,679	20.76%
Total	<u>11,707,817</u>	<u>18.96%</u>	<u>11,529,679</u>	<u>20.76%</u>

Collateral value:

Market value of collateral held against overdue loans and advances	-	-
Secured portion of overdue loans and advances	-	-
Unsecured portion of overdue loans and advances	11,707,817	11,529,679

By geographical areas:

Venezuela	11,707,817	11,529,679
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Impairment allowances

	<u>(8,490,509)</u>	<u>(8,361,323)</u>
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Amount expressed in thousand HKD, unless otherwise stated

IV. International Claims

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any recognised risk transfer. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country. Only regions constituting 10% or more of the aggregate international claims after taking into account any recognised risk transfer are disclosed.

	Non-bank private sector					
	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	<u>Others</u>	<u>Total</u>
	HK\$ million eqvi.					
As at 30 June 2025						
Developed countries	706	-	-	-	-	706
Offshore centres	13,655	1,381	9,105	22,981	-	47,121
- of which: Hong Kong	13,654	1,381	9,105	22,981	-	47,121
Developing Latin America and Caribbean	39,685	-	-	-	-	39,685
Developing Africa and Middle East	21,217	-	-	-	-	21,217
Developing Asia and Pacific	73,893	687	-	20,745	-	95,326
- of which: China	72,623	687	-	20,745	-	94,056
Total	149,155	2,068	9,105	43,727	-	204,055

As at 31 December 2024

Developed countries	640	-	-	-	-	640
Offshore centres	3,801	-	9,350	22,460	-	35,611
- of which: Hong Kong	3,635	-	9,350	22,460	-	35,445
Developing Latin America and Caribbean	35,233	-	-	-	-	35,233
Developing Africa and Middle East	18,762	-	-	-	-	18,762
Developing Asia-Pacific	66,716	672	1,571	27,555	-	96,514
- of which: China	65,296	672	1,571	27,555	-	95,095
Total	125,152	672	10,921	50,015	-	186,761

V. Currency Risk

Foreign currency exposures other than reporting currency

	As at 30 June 2025					
	<u>USD</u>	<u>GBP</u>	<u>EUR</u>	<u>CNY</u>	<u>Others</u>	<u>Total</u>
	HK\$ million eqvi.					
Spot assets	129,808	5,247	12,887	39,507	16	187,465
Spot liabilities	(117,160)	(4,913)	(12,948)	(47,739)	-	(182,760)
Forward purchases	106	-	645	735	-	1,486
Forward sales	(4,669)	-	-	(1,948)	-	(6,617)
Net option position	-	-	-	-	-	-
Net long (net short) position	8,085	334	584	(9,445)	16	(426)
Net structural position	-	-	-	-	-	-
	As at 31 December 2024					
	<u>USD</u>	<u>GBP</u>	<u>EUR</u>	<u>CNY</u>	<u>Others</u>	<u>Total</u>
	HK\$ million eqvi.					
Spot assets	126,437	2,742	10,923	28,847	15	168,964
Spot liabilities	(115,540)	(2,472)	(7,973)	(40,739)	-	(166,724)
Forward purchases	4,277	-	-	2,695	-	6,972
Forward sales	(7,919)	-	(2,438)	-	-	(10,357)
Net option position	-	-	-	-	-	-
Net long (net short) position	7,255	270	512	(9,197)	15	(1,145)
Net structural position	-	-	-	-	-	-

Amount expressed in thousand HKD, unless otherwise stated

VI. Non-Bank Mainland Exposures

	On-balance sheet exposure	Off-balance sheet exposure HK\$ million eqvi.	Total
As at 30 June 2025			
(a) Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	54,906	23,437	78,343
(b) Local governments, local government-owned entities and their subsidiaries and JVs	7,491	-	7,491
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	70	-	70
(d) Other entities of central government not reported in item (a)	287	-	287
(e) Other entities of local governments not reported in item (b)	-	-	-
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	62,754	23,437	86,191
Total assets after provision	218,717		
On-balance sheet exposures as percentage of total assets	28.69%		
As at 31 December 2024			
(a) Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	60,236	27,996	88,232
(b) Local governments, local government-owned entities and their subsidiaries and JVs	9,312	448	9,760
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	73	-	73
(d) Other entities of central government not reported in item (a)	287	-	287
(e) Other entities of local governments not reported in item (b)	-	-	-
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	69,908	28,444	98,352
Total assets after provision	204,599		
On-balance sheet exposures as percentage of total assets	34.17%		

VII. Off-balance Sheet Exposures (other than derivative transactions)

	As at 30 June 2025	As at 31 December 2024
Contractual or notional amounts of other commitments		
Direct credit substitutes	-	-
Trade-related contingencies	-	-
Other commitments	25,875,737	39,847,323
	25,875,737	39,847,323

VIII. Derivative Transactions

	As at 30 June 2025	As at 31 December 2024
<i>Total contractual or notional amounts</i>		
Exchange rate-related derivative contracts	6,517,066	10,431,114
Interest rate derivative contracts	8,009,643	9,457,364
	14,526,709	19,888,478
<i>Total fair value asset</i>		
Exchange rate-related derivative contracts	11,562	165,176
Interest rate derivative contracts	3,560	12,486
	15,122	177,662
<i>Total fair value liability</i>		
Exchange rate-related derivative contracts	(80,313)	(73,930)
Interest rate derivative contracts	(330,157)	(476,037)
	(410,470)	(549,966)

The fair values of derivatives do not take into account the effects of bilateral netting arrangements.

Amount expressed in thousand HKD, unless otherwise stated

IX. Liquidity Risk Management

The Bank has many policies in place to manage its liquidity risk. The senior management and the functional departments perform their responsibilities to ensure the policies are effectively implemented in daily operation. The bank uses various tools for measurement of liquidity risk including liquidity ratio, stress testing, liquidity gap analysis, dynamic liquidity cashflow model and maturity ladder to monitor the risk.

The Bank maintains diverse sources of liquidity to facilitate flexibility in meeting funding requirements. It is primarily funded by debt capital market issuances, interbank borrowings and borrowing from the head office.

The Bank has implemented a forecast model and assumptions to perform cash flow analysis under normal and stressed scenarios. A contingency plan is established to assign procedures and responsibility of relevant departments to take appropriate actions based on stress test results. The Bank has also obtained consent to get ultimate fundings from the head office under severe liquidity crisis.

Liquidity maintenance ratio and the core funding ratio	From 1 Apr 2025 to 30 June 2025	From 1 Jan 2025 to 31 Mar 2025	From 1 Apr 2024 to 30 June 2024
Average liquidity maintenance ratio	86.76%	69.75%	76.25%
Average core funding ratio	104.84%	103.42%	106.77%

The average liquidity maintenance ratio is the arithmetic mean of each calendar month's average value of its liquidity maintenance ratio as reported in Part I(2) of the "Return of Liquidity Position of an Authorized Institution". The average core funding ratio is the arithmetic mean of each calendar month's average value of its core funding ratio as reported in Part I of the "Stable Funding Position of an Authorized Institution".

The liquidity information can also be accessed at our website (www.cdb.com.cn/xwzx/xxgg/qtgg/).

X. Consolidated Bank Information

	As at 31 December 2024 ¹	As at 31 December 2023 ²
(i) Capital and Capital adequacy		
	RMB million	RMB million
Consolidated Amount of Shareholders' funds	1,745,439	1,652,741
Consolidated Capital Adequacy Ratio *	12.37%	11.65%
(ii) Other Financial Information		
Total assets	18,618,341	18,654,522
Total liabilities	16,844,398	16,974,792
Total loans and advances, gross	15,398,359	14,904,502
Total customer deposits	787,725	863,254
Pre-tax Profit	105,579	102,377

¹ The figures for year ended 31 December 2024 are extracted from the audited Consolidated Financial Statements of Head Office.

² The figures for year ended 31 December 2023 are extracted from the audited Consolidated Financial Statements of Head Office.

* The consolidated capital adequacy ratio is calculated in accordance with relevant regulations including the Provisional Rule on Capital Management of CDB issued by the National Financial Regulatory Administration. All figures relating to capital adequacy ratios are presented on a consolidated basis.

Amount expressed in thousand HKD, unless otherwise stated

XI. Statement of Compliance

This 2025 Interim Financial Disclosure Statement contains all disclosures required by the Banking (Disclosure) Rules and the Supervisory Policy Manual:- Guideline on the Application of the Banking (Disclosure) Rules issued by the Hong Kong Monetary Authority.

The information contained in the disclosure statement is not false or misleading in any respect, and that the operations of the Bank are clearly explained.



Liu Wen Sheng
Deputy Chief Executive
China Development Bank - Hong Kong Branch